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William M. Landrum III  
Secretary

TO: Constitutional Officers, Cabinet Secretaries,  
All Agency Heads, and Fiscal Officers

FROM: William M. Landrum III, Secretary  
Finance and Administration Cabinet

DATE: March 21, 2018

SUBJECT: Closing Schedule – Fiscal Year 2018

In accordance with KRS 45.229(2), the Finance and Administration Cabinet is legally required to close the old year accounts within thirty days of June 30.

**eMARS 3.10 will be taken down at 12:00PM Saturday, June 30, 2018 to prepare for the eMARS 3.11 conversion. No transactions will post in fiscal year 2018 in eMARS 3.10 after that date. There will be no fiscal year 2019 activity in eMARS 3.10. eMARS 3.10 will be available in read-only mode for a minimum of two years, and the data warehouse for an undeterminable time after that.**

**eMARS 3.11 will be available for entry of fiscal year 2019 non-encumbering contracts on Monday, April 16, 2018 and full document processing for fiscal year 2019 on Thursday, July 5, 2018. There will be no fiscal year 2018 activity in eMARS 3.11.**

**Both eMARS 3.10 and eMARS 3.11 will be unavailable July 1<sup>st</sup> thru July 4<sup>th</sup> for the conversion.**

Statewide Accounting Services will run the New Year Table Initialization (NYTI) which will copy active fiscal year 2018 chart of accounts from eMARS 3.10 to fiscal year 2019 in eMARS 3.11 COB Friday, April 6, 2018. Any additions or changes that agencies make to departmental chart of account elements after April 6, 2018, will need to be made in both fiscal year 2018 in eMARS 3.10 and fiscal year 2019 in eMARS 3.11. Active cost accounting chart of accounts and active accounting templates will also be converted at this time.

William M. Landrum III, Secretary  
Finance and Administration Cabinet

Date

Deadlines vary according to type of transaction. No deadline is earlier than Friday, March 30, 2018, and none is later than Saturday, June 30, 2018. All transactions for fiscal year 2018 must be accepted in eMARS 3.10 by 12:00 PM Saturday June 30, 2018. After Saturday, June 30, 2018, eMARS 3.10 will become read-only.

The Closing Schedule shows the responsibility for approval of eMARS documents, whether Agency, Statewide Accounting Services (SAS), Office of Procurement Services (OPS), Office of the State Budget Director (OSBD), or Department of Treasury (Treasury). This should facilitate agency knowledge of document due dates for final fiscal year 2018 approval. Additional comments follow the charts. **Remember that the last date to post fiscal year 2018 documents in eMARS 3.10 is 12:00 PM Saturday, June 30, 2018.**

#### Ordered by Document Code

Document Code	Document Description	Final Approval Responsibility	Last Day to Process 2018 in 3.10	First Day to Process 2019 in 3.11
AD	Automated Disbursement	Agency	6/27/2018	7/5/2018
BGPDR	Program Period Reimbursable Budget	Agency	6/27/2018	7/5/2018
BGR42	Revenue Budget	OSBD	6/27/2018	7/5/2018
BGE43	Capital Budget	OSBD	6/27/2018	7/5/2018
CA	Cost Allocation	Agency	6/30/2018	7/5/2018
CH	Charge Transaction	Agency	6/27/2018	7/5/2018
CR	Cash Receipt (Funds 0100 and 1100)	Treasury	6/27/2018	7/5/2018
CR	Cash Receipt (Funds Non-0100 and Non-1100)	Treasury	6/27/2018	7/5/2018
CT	Contract (Allow sufficient time for Goods Rec by 6/27) (*Attach approved SPR, if applicable, to RQS)	OPS	6/8/2018	4/16/18 if non encumbered 7/5/2018 if encumbered
CT	Contract Modification (Allow sufficient time for Goods Rec by 6/27) (*Attach approved SPR, if applicable)	OPS	6/8/2018	4/16/18 if non encumbered 7/5/2018 if encumbered
CT2	Contract 2-Way Match (Allow sufficient time for Goods Rec by 6/27) (*Attach approved SPR, if applicable, to RQS)	OPS	6/8/2018	NA
CT2	Contract 2-Way Match Modification (Allow sufficient time for Goods Rec by 6/27) (*Attach approved SPR, if applicable)	OPS	6/8/2018	NA
CTT1	Contract KYTC (Allow sufficient time for Goods Rec by 6/27) (*Attach approved SPR, if applicable)	Agency	NA	NA
CTT1	Contract KYTC Modification (Allow sufficient time for Goods Rec by 6/30) (*Attach approved SPR, if applicable)	Agency	NA	NA

Document Code	Document Description	Final Approval Responsibility	Last Day to Process 2018 in 3.10	First Day to Process 2019 in 3.11
CTT2	Contract 2-Way Match KYTC (Allow sufficient time for Goods Rec by 6/27) (*Attach approved SPR, if applicable)	Agency	NA	NA
CTT2	Contract 2-Way Match KYTC Modification (Allow sufficient time for Goods Rec by 6/27) (*Attach approved SPR, if applicable)	Agency	NA	NA
CWA	Check Writer Accounting	SAS	6/29/2018 12:00PM	7/5/2018
CWI	Check Writer Intercept Transfer	SAS	6/29/2018	7/5/2018
DO	Delivery Order (Allow sufficient time for Goods Rec by 6/27) (*Attach approved SPR, if applicable)	Agency	6/8/2018	7/5/2018 if encumbered
DO2	Delivery Order 2 Way Match (Allow sufficient time for Goods Rec by 6/27) (*Attach approved SPR, if applicable)	Agency	6/8/2018	NA
DO4	Punch-out Delivery Order (non-Procard) (Allow sufficient time for Goods Rec by 6/27) (*Attach approved SPR, if applicable)	Agency	6/15 /2018	7/5/2018 if encumbered
EFT	Electronic Funds Transfer	Agency	6/27/2018	7/5/2018
GAX	General Accounting Expense/Expenditure	Agency	6/27/2018	7/5/2018
GAX2	General Accounting Revenue Refund	Agency	6/27/2018	7/5/2018
GAX3	General Accounting Balance Sheet Payable	Agency	6/27/2018	7/5/2018
IA	Inventory/Stock Adjustment	Agency	6/27/2018	7/5/2018
IET	Internal Exchange Transaction	Agency	6/27/2018	7/5/2018
IT	Intercept Transfer	SAS	6/27/2018	7/5/2018
ITA	Internal Transaction Agreement	Agency	6/27/2018	7/5/2018
ITI	Internal Transaction Initiator	Agency	6/27/2018	7/5/2018
JV	Standard Journal Voucher	SAS	6/30/2018	7/5/2018
JV2E	Cash Expenditure Correction	Agency	6/30/2018	7/5/2018
JV2IN	Investment Adjustments	SAS	6/30/2018	7/5/2018
JV2P	Parks Receivable	SAS	6/30/2018	7/5/2018
JV2R	Cash Coll Earned Rev Corr	Agency	6/30/2018	7/5/2018
JV2T	Transfer	SAS	6/30/2018	7/5/2018
JVA	Advanced Journal Voucher	SAS	6/30/2018	7/5/2018
JVBK	Bank Transfer Journal Voucher	SAS	6/30/2018	7/5/2018
JVC	Cost Accounting Journal Voucher	SAS	6/30/2018	7/5/2018
KBUD	KBUD Budget Requests/Modifications	OSBD	6/27/2018	7/5/2018
MD	Manual Disbursement Non Referencing	Treasury	6/29/2018	7/5/2018
MD	Manual Disbursement Referencing Payment Request	Treasury	6/27/2018	7/5/2018
MD	MDC Manual Checks	Treasury	6/27/2018	7/5/2018
OB1	Management Budget	Agency	6/27/2018	7/5/2018

Document Code	Document Description	Final Approval Responsibility	Last Day to Process 2018 in 3.10	First Day to Process 2019 in 3.11
PO	PO, Request for Spec Auth, exception to sealed bid - all purchases and modifications (Allow sufficient time for Rec by 6/27) (*Attach approved SPR, if applicable)	OPS	6/8/2018	4/16/18 if non encumbered 7/5/2018 if encumbered
PO	Purchase Order and Modification (Allow sufficient time for Goods Rec by 6/27) (*Attach approved SPR, if applicable)	Agency	6/15/2018	4/16/18 if non encumbered 7/5/2018 if encumbered
PO2	MOA/PSC exception as defined by KRS 45A.690 or agency exemption as defined by statute or the LRC – New Year PO2s requiring an effective date of 7/1)	OPS	NA	See SC Document
PO2	MOA/PSC exception as defined by KRS 45A.690 or agency exemption as defined by statute or the LRC – Old Year PO2 modifications for services performed by 6/27 – Place Old Year in Document Description	OPS	6/8/2018	NA
PO2	PO2, Request for Spec Auth, exception to sealed bid - all purchases and modifications (Allow sufficient time for Rec by 6/27) (*Attach approved SPR, if applicable)	OPS	6/8/2018	See PO document
PO2	Purchase Order 2 Way Match and Modification (Allow sufficient time for Goods Rec by 6/27) (*Attach approved SPR, if applicable)	Agency	6/15/2018	NA
PON2	Proof of Necessity Agreement- New Year PSC/MOA requiring an effective date of 7/1 (*Attach approved SPR, if applicable)	OPS	NA	4/16/18 if non encumbered. 7/5/2018 if encumbered
PON2	Proof of Necessity Agreement- Old Year PSC/MOA modifications for services performed by 6/27-Place Old Year in Document Description (*Attach approved SPR, if applicable)	OPS	5/1/2018	NA
PRC	PRC for Special Authority Exception to Bid requiring OPS approval.	OPS	6/15/2018	7/5/2018
PRC	Commodity Based PR (*Attach approved SPR if applicable)	Agency	6/27/2018	7/5/2018
PRC2	Commodity Based PR Pro Card (*Attach approved SPR if applicable)	Agency	6/27/2018	NA
PRCC	Commodity Based PR Pro Card (*Attach approved SPR if applicable)	Agency	NA	7/5/2018
PRCI	Commodity Based Internal PR	Agency	6/27/2018	7/5/2018
RC	Receiver	Agency	6/27/2018	7/5/2018
RE	Receivable	Agency	6/27/2018	7/5/2018

Document Code	Document Description	Final Approval Responsibility	Last Day to Process 2018 in 3.10	First Day to Process 2019 in 3.11
RQS	Standard Requisition < \$40,000- all purchases (Allow Sufficient time for Goods Rec by 6/27) (*Attach approved SPR, if applicable)	OPS	4/30/2018	7/5/2018
RQS	Standard Requisition >= \$40,000 all purchases (Allow Sufficient time for Goods Rec by 6/30) (*Attach approved SPR, if applicable)	OPS	3/30/2018	7/5/2018
SC	MOA/PSC exception as defined by KRS 45A.690 or agency exemption as defined by statute or the LRC – New Year SC requiring an effective date of 7/1	OPS	NA	4/16/18 if non encumbered. 7/5/2018 if encumbered
TP	Travel Payments	Agency	6/27/2018	7/5/2018

## ADDITIONAL COMMENTS

### AGENCIES

1. Imprest/Petty Cash Reimbursement Schedules. Final imprest cash reimbursement schedules for fiscal year 2018 must be processed on a GAX document type by close of business Wednesday June 27, 2018, in order to charge 2018 funds in eMARS 3.10. Reimbursements processed after close of business Wednesday, June 27, 2018, must be made in fiscal year 2019 in eMARS 3.11. Requests for amendments to present authorities should be sent to Statewide Accounting Services.

### STATEWIDE ACCOUNTING SERVICES

1. Closing Dates. The Soft Close for accounting period 12/2018 will be Wednesday, June 27, 2018. The Hard Close will be Saturday, June 30, 2018. **Due to the eMARS 3.10 to 3.11 conversion there will be no Period 13.**
2. Reimbursement. REs and CRs for the period June 23<sup>rd</sup> – 29<sup>th</sup> that would have normally been created on June 29<sup>th</sup> in eMARS 3.10, will be created during cutover and available in eMARS 3.11 on Thursday, July 5, 2018
3. Cost Allocation. Cost allocation will be run for accounting period 12/2018 with the following schedule. SAS can run these earlier per agency request.

- CHFS 6-28-2018
- COT 6-28-2018
- DMA 6-28-2018

- OET 6-28-2018
- GAPS 6-28-2018

4. CA's created from the 12/2018 allocation must be posted by 12:00PM, Saturday, June 30, 2018

5. Encumbrances. ALL encumbrances, including capital, regardless of dollar amount will be liquidated in fiscal year 2018 June 28<sup>th</sup> – June 29<sup>th</sup>. It is important to review and clean up any encumbrances that will not be liquidated by Wednesday, June 27, 2018 now, as these will be lapsed after eMARS 3.10 is taken down, and thus agencies will not have access to the budgets that will be restored as a result of the lapse.

Pending Encumbrance and Expenditure Transactions. All pending encumbrance and pending accrued transactions, modifications, and cancellations must be posted prior to COB Wednesday, June 27, 2018.

Any of the above documents in the pending phase will be rejected back to draft phase after the specified dates.

6. Annual Financial Report and Annual Inventory. The Office of Statewide Accounting Services will be requesting closing financial data for the purpose of preparing the Commonwealth's Comprehensive Annual Financial Report in compliance with Generally Accepted Accounting Principles (GAAP). The request will arrive about Friday, May 4, 2018. Although the financial information being requested in the closing package is the same as last year, anyone who is responsible for/or supplies the information in the closing package to the Office of Statewide Accounting Services is encouraged to attend the training. The presentation changes from year to year to better explain the required information and/or to address problems encountered in the previous year. It is extremely important that all the agencies submit their closing packages as thoroughly and accurately as possible. Contact Phil Nally at [phil.nally@ky.gov](mailto:phil.nally@ky.gov) or (502) 564-2994 to register for training. Training sessions will be scheduled during the week of June 4 -8 based on the number of requests received.

7. Fixed Asset Inventory. Physical inventories must be performed for items over \$5,000 acquired prior to the date of the actual inventory. Certified inventory reports are due to the Office of Statewide Accounting Services by Thursday, May 31, 2018. Physical Inventory Procedures are found at the following website:

<http://finance.ky.gov/services/statewideacct/Pages/physicalinventoryprocedures.aspx>

8. Because of statutory requirements, the Office of the State Budget Director and the Office of Statewide Accounting Services will not be able to unilaterally increase appropriations during the closing period.

## OFFICE OF PROCUREMENT SERVICES

Purchase requests (ROS) for all goods that are not currently on contract that exceed the agency's small purchase limit shall be sent to the Finance and Administrative Cabinet, Office of Procurement Services, no later than Friday, March 30, 2018, for requests equal to or above \$40,000. Requests less than \$40,000 must arrive no later than

Monday, April 30, 2018. All Purchase requests (RQS) shall be processed using the same procedures that are required per the Strategic Procurement Request process. The agency must allow enough time for the approved disposition to be returned to them and attach it to the header of the RQS. The Finance and Administration Cabinet will not begin processing the RQS until the SPR1 has been approved. **The agency must receive an approved SPR document before the items can be purchased by any method. All items must be received no later than Wednesday, June 27, 2018, to be paid out of old year funds. If a purchase for furniture is authorized, the Division of Correctional Industries or the Division of Surplus Property shall be utilized whenever possible.**

1. Purchase Requests (RQS) Equal to or Above \$40,000 (Old Year). Old Year purchase requests equal to or above \$40,000 must be received by the Office of Procurement Services (OPS) by close of business Friday, March 30, 2018, and delivery must be assured by Wednesday June 27, 2018, in order to be paid out of fiscal year 2018 funds. Purchase requests submitted between now and Friday, March 30, 2018 **should state in the document comments of the purchase request one of two statements: "Delivery is desired prior to June 27, 2018,"** allowing OPS to award the Contract and if delivery could not be made until after Wednesday, June 27, 2018, payment would be made with fiscal year 2019 funds; or **"Delivery must be completed prior to June 27, 2018,"** and if the vendor could not meet the delivery requirement, OPS would not issue a Contract. *If neither of the above statements is indicated, the purchase request will not be processed until this information is received from the requesting agency. It will be the agency's responsibility to add the appropriate statement to the document comments prior to the Friday, March 30, 2018, deadline for fiscal year 2018 funding.* Due to the volume of old year purchase requests received by OPS, agencies are to submit their purchase requests as soon as possible. If an agency delays its requests until just before the deadline, the chances of processing and obtaining deliveries by Wednesday, June 27, 2018, are greatly reduced. *Agencies should also ensure that their purchase request provides complete information on the transaction (i.e. adequate specifications, best value criteria, suggested sources (added to the free form vendor section), quantity, estimated price, valid account codes, etc.).* Agencies should not submit requests for new year purchases before Friday, May 4, 2018, and must clearly state on the purchase request that delivery is not desired or required prior to July 1, 2018. Place this information in the document comments.
2. Small Purchase Requests (RQS). For purchase requests that exceed an agency's small purchase authority, the Office of Procurement Services (OPS) may exercise its Small Purchase Authority, to a maximum of \$40,000, when it can be determined that the purchase will not exceed the estimated amount in accordance with KRS 45A.100. The small purchase request should be received in OPS by close of business Monday April 30, 2018, in order to allow time for required solicitation of quotations, encumbrance of funds, contract award, and vendor delivery by Wednesday, June 27, 2018. Purchase requests submitted between now and Monday April 30, 2018, **should state in the document comments of the purchase request one of two statements: "Delivery is desired prior to June 27, 2018,"** allowing OPS to award the Contract and if delivery could not be made until after June 27, 2018, payment would be made with fiscal year 2019 funds; or **"Delivery must be completed prior to June 27, 2018,"** and if the vendor could not meet the delivery requirement, OPS would not issue a Contract. *If neither of the above statements is indicated, the purchase request will not be processed until this information is received from the requesting agency. It will be the agency's responsibility to add the appropriate statement to the document comments prior to the Monday April 30, 2018, deadline for fiscal year 2018 funding.* Due to the volume of old year purchase



requests received by OPS, agencies are to submit their purchase requests as soon as possible. If an agency delays its requests until just before the deadline, the chances of processing and obtaining deliveries by Wednesday, June 27, 2018, are greatly reduced. *Agencies should also ensure that their purchase request provides complete information on the transaction (i.e. adequate specifications, best value criteria, suggested sources, quantity, estimated price, valid account codes, etc.) and has the approved SPR1 attached at the header.* The total aggregate amount cannot be artificially divided by submitting more than one requisition for the same item during the closeout period. This would be in violation of KRS 45A.100(2). Old year small purchase requests totaling \$40,000 or less will be awarded from fiscal year 2018 funds when delivery is guaranteed and completed by Wednesday, June 27, 2018. Deliveries made after Wednesday, June 27, 2018, will be charged against fiscal year 2019 funds. All requests must comply with the guidelines listed in the introductory paragraphs for this section.

3. Purchase Orders, Requests for Approval for Special Authority, Exception to Sealed Bid. All requests for special authority contracts with a delivery date required before Wednesday, June 27, 2018, and payment from old year funds must arrive in the Office of Procurement Services (OPS) by close of business Friday, June 8, 2018, to allow adequate time for services to be performed and goods delivered by the end of the fiscal year. Special authority contracts that are for payment only must arrive in OPS by close of business Friday, June 15, 2018. All requests must comply with the guidelines listed in the introductory paragraphs for this section and with the requirements of the Finance Policies and Procedures Manual. **A copy of the APPROVED EXEMPTION JUSTIFICATION LETTER (IF APPLICABLE), APPROVED SPR1 and the Required Affidavit for Bidders, Offerors and Contractors must be attached at the header of all procurement/payment documents. Agencies must submit Exemption Justification Request Letters via email to OPS.reporting.ky.gov by Friday May 25, 2018.**
4. Modifications. All requests for changes to contracts issued by the Office of Procurement Services (OPS) that affect old year allotments must arrive in OPS by the close of business Friday, June 8, 2018. Agencies must process changes to their own contracts that affect old year allotments by close of business Wednesday, June 27, 2018.
5. Personal Service Contracts/Modifications/MOAs for Services performed by Wednesday June 27, 2018. In order to guarantee payment from fiscal year 2018 funds, agencies must submit all PSCs/Modifications/MOAs to the Office of Procurement Services (OPS) by close of business Tuesday, May 1, 2018, to allow adequate time to process for the June meeting of the Legislative Research Commission (LRC). Agencies that do not process PSCs and MOAs through OPS must submit all PSC's/Modifications/MOAs to LRC not later than Tuesday, May 1, 2018. PSCs/Modifications/MOAs arriving in OPS after Tuesday, May 1, 2018, or LRC after Wednesday, May 23, 2018, will not be processed for approval prior to the end of fiscal year 2018, and shall be paid from fiscal year 2019 funds.

New Personal Service Contracts or MOAs that require an effective date so that services begin on July 1, 2018 must be created and submitted in eMARS 3.11. Agencies may submit to OPS beginning Monday April 16, 2018, but no later than Monday May 14, 2018, to allow adequate time to process for the July meeting of the Legislative Research Commission (LRC). The last day that OPS can approve new-year PSCs and MOAs is June 26, 2018. LRC will run their reports that generates the July meeting agenda on June 27, 2018. Any PSC or MOA not approved by June 26, 2018 will be on the LRC August meeting agenda.



Agencies should plan their contracting schedule taking into consideration the required review process of their RFPs by the Finance Cabinet. The RFP shall be submitted at least 7 days prior to the intended RFP "let date" (published date), and a "close date" a minimum of 7 calendar days after the "let date".

## FUND BALANCES

1. **General Fund.** *All General Fund balances at the close of the fiscal year shall lapse to the surplus account of the General Fund, with the exception of statutory or budget bill authorized continued appropriations.*
2. **Capital Projects Fund.** Capital Projects fund balances (appropriations, allotments, cash, and encumbrances) will remain in the same budget fiscal year. No carry forward entries are required.
3. **Road Fund.** All Road Fund balances at the close of the fiscal year shall lapse to the surplus account of the Road Fund, with the exception of statutory or budget bill authorized continuing appropriations.
4. **All Funds (except Capital Projects Fund).** All allotment balances except continued appropriations will lapse.
5. **Requests for Fund Transfers to the General Fund.** Requests for fund transfers to the General Fund must be submitted in writing to the Office of the State Budget Director by close of business Wednesday, June 27, 2018.

## PERSONNEL

KHRIS CA documents processed for the May 16 through May 31 pay period (approximately June 8) will be adjusted to remove the postings for object code E123. The accounting lines will be included on a new CA document with the same document ID appended with a "P" on the end that will post on July 1 in fiscal year 2019 in eMARS 3.11.

The entire payroll for pay period June 1 through June 15 will be held until July 1 and will post in fiscal year 2019 in eMARS 3.11.

All of the above mentioned changes are being handled within the eMARS accounting system. Any reports generated through KHRIS (153 Report) will not reflect the changes made in eMARS.

